

# Bush Sees 'Significant Change' in Baltic Standoff

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WASHINGTON, June 13 — The United States today hailed Moscow's reported decision to ease its economic sanctions against Lithuania, and President Bush called President Mikhail S. Gorbachev's talks with Baltic leaders a "significant change" that could help end the Baltic crisis.

Mr. Bush and other White House officials have avoided commenting on developments in Moscow's test of wills with Lithuania over the Lithuanian declaration of independence. But after two weeks of pressure from Congress on Mr. Bush's decision to sign a new trade agreement with Mr. Gorbachev despite the continued stalemate over Lithuanian independence, the White House welcomed the latest developments in Moscow with a markedly upbeat assessment.

Mr. Bush took a few minutes at the start of a news conference with regional news organizations to read a statement in which he seemed to allude to the political pressures of the Lithuanian stalemate.

## Push to Upgrade Trade Status

Referring to Mr. Gorbachev's meeting on Tuesday with President Vytautas Landsbergis of Lithuania, President Anatolijs Gorbunovs of Latvia and President Arnold Ruutel of Estonia, Mr. Bush said, "I was very, very pleased to see this occur in the wake of what I think was a successful summit meeting."

He said: "We applaud Mr. Gorbachev's meeting with the Baltic Presidents. For some time, we've urged a peaceful resolution of this confrontation, one that will result in dialogue, negotiation if you will, and lifting of this

## Support for most-favored trade status for Moscow builds.

economic blockade against Lithuania. And so I hope that what we saw yesterday is a first step in a dialogue that will lead to the self-determination that we strongly support."

Mr. Bush spoke before the White House learned of today's reported decision by the Soviet Union to ease slightly its economic sanctions against Lithuania. He refused to answer questions about the report during a subsequent photo session in the Oval Office.

Marlin Fitzwater, the President's spokesman, said: "We welcome this announcement. Together with the beginning of the dialogue yesterday, these are positive steps."

But Administration officials were more reserved in private, saying there were conflicting reports about how far Moscow was willing to go to ease its economic sanctions. "We are not yet willing to say this is the end of the crisis," an official said.

## 'This Smacks of Propaganda'

Congressional response to the news from Moscow was mixed. Senator George J. Mitchell, the Majority Leader, who has been critical of Mr. Bush's signing of the trade agreement, said he was heartened by news reports from Moscow.

Senator Max S. Baucus, the Montana Democrat who is chairman of the Sen-

ate Finance subcommittee on international trade, which will be the first stop in the Senate for the new trade agreement, said, "Today's dramatic events make it clear that it is time" to grant favorable trade treatment to the Soviet Union.

"The President showed great vision in signing a trade agreement with the Soviet Union a few weeks ago," he said. "Now it is time to make good on the commitments in that agreement."

But Senator Alfonse M. D'Amato, the New York Republican who has been one of the most vociferous Congressional critics of Mr. Bush's Lithuania policy, disputed the reports from the Soviet Union.

He said he had been "pleased and delighted" at first by news that Moscow would ease its economic blockade of Lithuania. But he said he spoke by telephone with Mr. Landsbergis late in the afternoon and was told that such an agreement "had not been solidified."

He said, "This smacks of propaganda when what we need now is not propaganda from the Soviets, but action."

## Pact and Soviet Emigration Law

Administration officials said they hoped movement in the Lithuania stalemate would ease Congressional opposition to the trade agreement, which Mr. Bush said he would not submit until the Soviet Union enacts a new emigration law that is a precondition for broadening trade ties. But they said they had received no assurances from Mr. Gorbachev during his visit to Washington that a breakthrough was imminent.

Indeed, the official said the talks with the Baltic leaders came a little sooner than some American analysts had anticipated.